

88 REGISTRY
FILE *Committee 14*

DIRECTOR OF CENTRAL INTELLIGENCE
Security Committee

SECOM-M-235

16 June 1980

Minutes

Two Hundred and Thirty-first Meeting
Wednesday, 11 June 1980, 1005-1218 Hours
Room 1A07, Langley Headquarters Building

[REDACTED]
Chairman
Presiding

25X1A

MEMBERS PRESENT

Mr. Karl Ackerman, Department of State
Mr. Maynard Anderson, Office of Secretary of Defense
Mr. Lloyd Dean, Federal Bureau of Investigation
[REDACTED] Defense Intelligence Agency
[REDACTED] National Security Agency
[REDACTED] Central Intelligence Agency
Mr. D. Jerry Rubino, Department of Justice
Mr. Dennis Southern, Department of Treasury
Mr. Richard L. Welch, Department of the Navy

ALTERNATES PRESENT

Mr. Gerald L. Berkin, Department of the Navy
[REDACTED] National Security Agency
Mr. Frank Dill, Department of the Army
Mr. Martin J. Dowd, Department of Energy
Mr. Dan Downum, Federal Bureau of Investigation
[REDACTED] Office of Secretary of the Air Force,
Space Systems
Mr. Edward P. Walsh, Department of Treasury

STATINTL

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PRELIMINARY COMMENTS

1. The Chairman informed members that the General Accounting Office (GAO) was establishing the positions of Director and Deputy Director of Security at the GS-15 and GS-14 levels, respectively. He advised that particulars on the positions (numbers 80-1255 and 80-1256) could be obtained by calling GAO on 275-3147.

2. At the Chairman's invitation, [REDACTED] of the Office of General Counsel briefed the committee on the case of Jane Doe v. U.S. Civil Service Commission (483 Fed. Sup. 539, 1980). This involved a woman applicant for a White House fellow position who was turned down based on adverse information generated during a background investigation. She later offered rebuttal data and sought deletion of the derogatory material. When her request was denied, she litigated. The court held that when derogatory information in a government investigatory file is disseminated, the subject must have a hearing to rebut the data and confront those who provided it. Alternatively, the government may delete the information. The court also held that she could sue for money damages based on deprivation of constitutional rights. Liability of government officials sued would be contingent on it being established that they were responsible for the deprivation and that they had not acted in good faith. [REDACTED] said this ruling raised very troublesome issues for personnel security investigations. He advised that Community general counsels would meet very soon to examine the case as it applied to national security matters, and to propose remedies (e.g., an Executive Order). He speculated that there would have been a different ruling had the case involved national security information. Mr. [REDACTED] said NSA had stopped providing information from its files to outside agencies because of this ruling. He asked that an immediate policy be issued by the DCI to avoid dangerously varying Community practices in this subject area. [REDACTED] observed that this ruling should not affect use of data developed in polygraph examinations, as the subject is always the source of any derogatory information.

3. The Chairman advised that [REDACTED] would be arranging visits by him to NFIB Principals. [REDACTED] asked for members' assistance in this, and said he believed these visits would give him a better basis for planning Committee actions so as to satisfy varying Community needs.

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25X1A 4. The Chairman referred to the comments at the last meeting by [redacted] of the Office of Legislative Counsel on the proper marking of intelligence material provided the Congress. Noting members' agreement at that time for the staff to prepare a guidance paper on this, [redacted] advised that a proposed memorandum for the NFIB had been drafted and sent to the DCI for signature. 25X1A

25X1A 5. The Chairman advised that Colonel Robert A. Shiver would be the new Air Force member and chairman of the Compartmentation Subcommittee. [redacted] also noted that Mr. [redacted] (CIA) had been assigned to the Committee staff. Mr. Ackerman introduced Mr. Kachulis as State's new Assistant Director of Personnel Security and Investigations. 25X1A

25X1A 6. The Chairman noted that copies of the latest version of the APEX nondisclosure agreement had been distributed to members. He advised that it had been developed by representatives of the DCI's Office of General Counsel in cooperation with counsels in other agencies. [redacted] noted that it was a broader treatment of the subject than had been initially envisaged. Some members said there were unresolved issues concerning this version. [redacted] asked members to inform Mr. [redacted] of their particular concerns about this agreement. 25X1A

25X1A 7. The Chairman asked those members who had not yet replied to the request for positions on whether the draft physical security standards for SCI facilities should be "Uniform" or "Minimum" to do so promptly. (Seven agencies - State, DOE, DIA, Air Force, Army, Navy and Treasury - have stated their positions on this. All opted for "Uniform"). At [redacted]'s request, Mr. [redacted] scheduled this question for decision at the July regular meeting of the Committee. 25X1A

8. There being no requests for change to the minutes of the 14 May meeting, the Chairman advised that they stood approved as written.

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ITEM 1: Investigative Standards Working Group Report

The Chairman introduced Mr. McCabe and thanked him and his working group for their efforts in completing a difficult and time consuming assignment. [REDACTED] advised that the primary agenda item of this meeting was a briefing by Mr. McCabe on the group's final report. The group's recommendations have been provided members separately by the Chairman. He has asked for members' comments to the staff by mid-July and suggested a special meeting shortly thereafter to discuss the report and its recommendations. 25X1A

The report presents the results of a survey of background investigations adjudicated by Intelligence Community agencies over a four month period in 1978-79. Cases were examined to evaluate the productivity of sources and of various periods of coverage in background investigations.

Mr. McCabe opened by saying his purpose was to highlight for members some aspects of the report and to answer their questions. He discussed significant charts as a means of describing report methodology and statistical approaches, and of illustrating analytical techniques used. He said the survey dealt with 5,204 cases, of which 2,213 involved access to SCI and 841 to Top Secret information. He noted that the average age of investigative subjects was 31 and the average period covered by investigation was 7.8 years. He said adverse data was developed in 1,261 of the cases, and that 254 of these were resolved against the subjects. Matters he discussed included variations among agencies in turndown rates; categories of data supporting turndowns; relative productivity indexes for different types of investigative checks; periods of coverage needed to capture pertinent data (this gives managers a tool to weigh investigative costs against security risks); source productivity for data used in adverse determinations; and relative productivity for such types of coverage as personal interviews. He observed that analysis of the productivity of various sources for information relevant to adverse determinations clearly showed the high value of the polygraph. He invited attention to the finding that establishment of a standard 15-year period of coverage for background investigations would have entailed a maximum cost increase of 32% over the whole 5,204 case sample. This was so, he said, because the cost of several investigative elements is constant regardless of the period of coverage (e.g., National Agency Checks, inquiries to listed references, credit checks).

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Mr. McCabe noted that the working group's recommendations had been transmitted separately (attachment to SECOM-D-234, dated 5 June 1980). He asked Committee members to review them in conjunction with the report itself. He thanked [REDACTED] for their support in reviewing and analyzing data and in helping prepare the report. 25X1A

ITEM 2: New Business

Mr. Rubino advised for members' information of a problem Justice had encountered with GSA performance in installing high line security alarms. He said a later check showed that some 80% of what was installed was not high line security. He suggested this raised the possibility that other agencies which relied on GSA for such installations may not have gotten what they asked and paid for.

ITEM 3: Next Meeting

The Chairman set the next regular meeting of the Committee for 9 July 1980 at CIA Headquarters. He proposed a separate meeting after that to discuss recommendations from the Personnel Security Survey report. (Particulars on this meeting will be provided later).

[REDACTED]
Executive Secretary